

# **EXHIBIT I**

**allrad**

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**From:**

Arvind Walia <awalia@porteck.com>

Paul Parmar <paul@constellationhealthgroup.com>, Sam Zaharis <sam.zaharis@constellationhealthgroup.com>

**Date:**

Thu, 18 May 2017 17:07:49 -0400

**Attachments:**

AllRad Direct Diligence Report - 5-18-2017 Draft.pptx (263.76 kB)

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Paul and Sam

Please find the diligence report.

Sam – when can I get a contract...

Thanks

Arvind

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Arvind Walia  
CEO, Orion Health Corporation  
100 Jericho Quadrangle, Ste 235  
Jericho, NY 11753  
<http://www.orionhealthcorp.com/>  
[516-874-8101](tel:516-874-8101) (phone)  
[646-536-2515](tel:646-536-2515) (fax)  
[770-6222](tel:770-6222) (Mobile)

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AllRad Direct

Innovation in Healthcare Networking



Premier Management Consulting

AllRad Direct

Innovation in Healthcare Networking

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# AllRad Direct Due Diligence Findings

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Draft Report

May 18, 2017



**World HQ:** 1715 State Route 35, Suite 111, Middletown, NJ 07748  
Phone: (732) 767 0010 Facsimile: (732) 767 0015 [www.sageci.com](http://www.sageci.com)  
**Chicago Office:** 455 East State Parkway, Suite# 203-204, Schaumburg, IL  
Phone: (847) 490 3590 Facsimile: (630) 563 1159  
**Asian HQ:** B-42, Sector 59, NOIDA - 201301, INDIA  
Phone: 1-91-120-3088262 Facsimile: 011-91-120-3088266 [www.sageci.com](http://www.sageci.com)

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## Objective

To develop a comprehensive understanding of the functionality and technology stack for AllRad Direct's Network Management Solution.

- ☐ Assess the existing functionality in terms of capability to support the business requirements for a provider network in an Accountable Care Organization.
- ☐ Assess the development effort required to eliminate any identified gaps in required functionality
- ☐ Assess the fit with the existing CHT technology stack
- ☐ Determine the feasibility of integrating with the existing CHT Healthcare Applications

## Information Sources

### Primary Research

- ☐ Functional Review of Software
- ☐ Technical Review of Software

### Secondary Research

- ☐ Market research reports and publications from key industry associations
- ☐ Publicly available information –company websites, media coverage, industry publications, press clippings, etc.

## Network Management Solution Overview

AllRad Direct (AllRad) designed and developed a healthcare network management system which they used for radiology referrals. Their innovative technology took three 25 developers over 4 years to develop and enhance. The company believes that the total cost was between \$6 and \$8 million. company with one service and an innovative software solution.

The network management solution automates the entire referrals process including scheduling patient appointments, patient appointment follow-up including gathering and communicating imaging results. The system automatically communicates the physiological and clinical data required from the radiological provider to ensure the highest quality of service from the referred facility and the quickest and most accurate diagnosis for the patient. Although the focus of the AllRad Direct development effort was radiology referrals, the generic nature of the software allows easy adaptation for other specialties, labs, and physical therapy facilities.



# Strategic Fit and Synergies

## Strategic Fit and Synergies

CHT's strategic direction is leverage its industry position as a leading RCM provider and IPA operator to move into the far more lucrative business as an ACO. With a technology platform that already includes PM, RCM, and BI, applications; CHT is well positioned to make the transition. In addition to the existing CHT applications an ACO requires a network management system to coordinate care between providers. The AllRad Network Management Solution is a big step in the right direction. While this acquisition will not provide a complete network management solution for a CHT ACO, it will provide a robust starting point, with many of the features required for an ACO.

CHT will want to leverage the NYNM network to build a future ACO. Currently the NYNM physicians and practices use many different EHR systems. AllRad's Network Management Solution has been designed to easily integrate with most EHR systems, which means that it will make an ideal interface system between existing CHT applications and ACO participating providers and also out-of-network providers.

The AllRad Solution uses the same Microsoft development platform and database as CHT's proprietary Pegasus applications, PARCS and Pegasus BI, which ensures that the same team of technology experts CHT uses for development, support, and enhancement of the existing applications can also be used for the Network Management Solution.

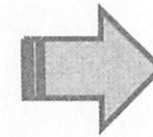


# Detailed Assessment

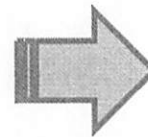
## Functionality Assessment

AllRad's Health Network Management Solution delivers the following capabilities to network participants.

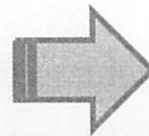
- ☐ Referrals
  - Specialists
  - Imaging and Labs
  - Physical Therapy
  - Hospitals, Surgery Centers, and Long Term Care Facilities
  - Pharmacies
- ☐ Patient Scheduling and Pre-Authorization
- ☐ Billing and Follow-up
  - Insurance both primary and secondary
  - HCFA and EOB features
- ☐ Payer Management
  - Contracts and Fee Schedules
  - Claim Submission
  - PPO management
- ☐ Alerts and Notifications
  - Patients
  - Providers
- ☐ Robust Reporting Capabilities



Functionality requires additional enhancements/development



Functionality is not as robust as PARCS and Orion RCM Applications.



BI provides superior functionality, move reports to BI platform..



## Functionality Assessment

- ☐ Provider Portal
  - Management and Status Reporting
  - Schedule Change Management
  - Payment Tracking and Reporting
- ☐ Data Collection and Storage
  - Patient Demographics
  - Patient Procedure and Clinical Documentation
  - Billing and Payment Processing and Reporting
- ☐ Automatically Schedules Patient Procedures
  - Contacts patients via fax, e-mail, mail, and phone
  - Enables patient call in and real time scheduling with provider
- ☐ Patient Portal
  - Medical History Request and Reporting
  - Payments and Payment Reporting
  - Appointment Request and Scheduling/Re-scheduling
  - Demographic Data and Insurance Coverage Maintenance
- ☐ Automated notifications and reminders of appointments
- ☐ Automated Alerts when schedules are changed



## Technology Assessment

The AllRad Health Network Management Solution is built on a Microsoft technology platform which delivers a highly versatile and dynamic architecture to ensure the highest levels of security, compliance, reliability, and performance. The architecture is designed to be a cloud based SaaS solution to support any scalability, performance, and availability requirements. The following are the key components of the architecture:

### Components

SQL Server

.NET 4.5

HL7 interfaces

EDI and Secure FTP file transfer and communications

Fully HIPAA compliant

# Price Justification Assessment

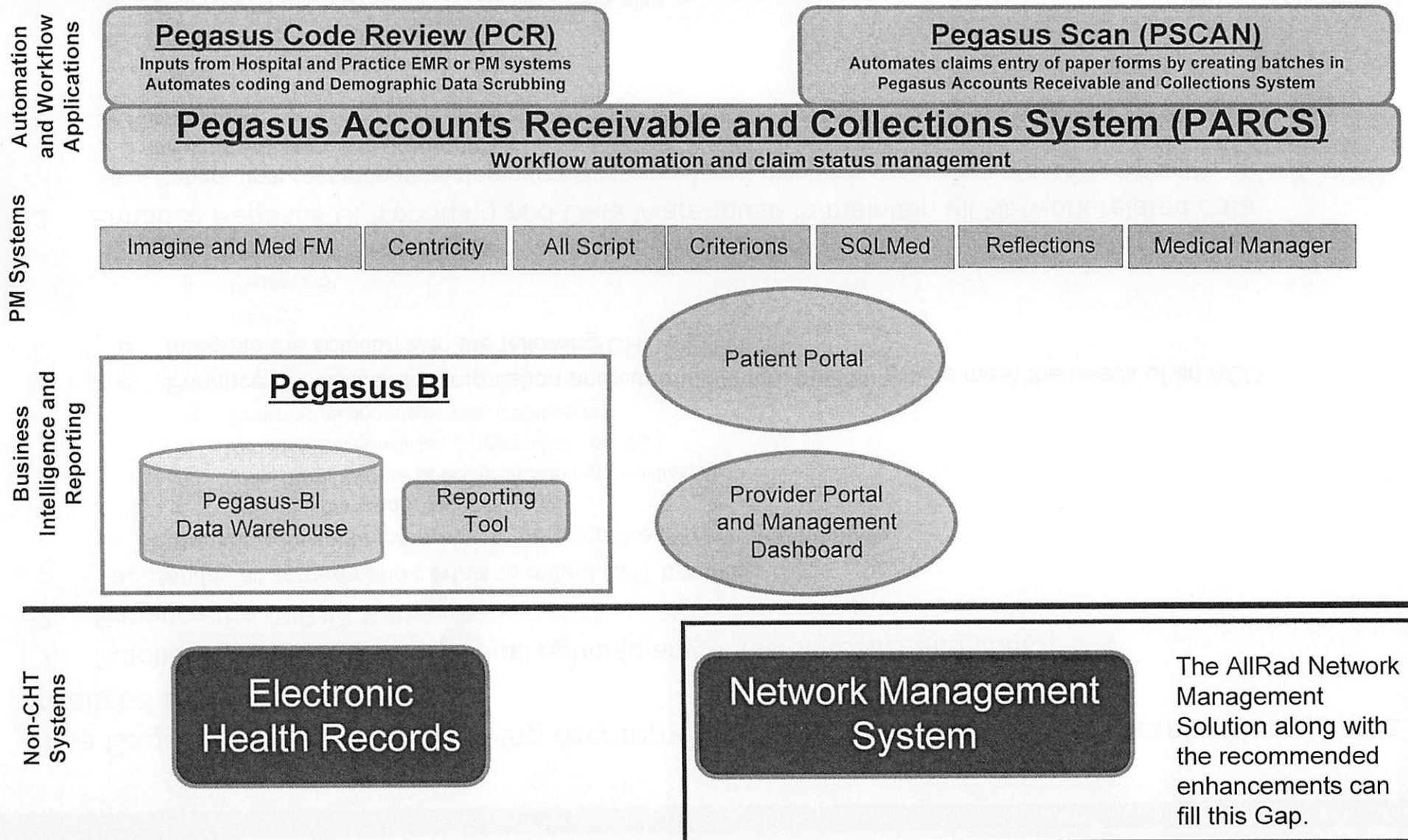
## Initial Price Based on Company Fundamentals and Business Assumptions provided: December 2014

Fundamental Description	2014 – Actual YTD	2014 Forecast	2015	2016
Revenue (forecast)				
Client forecast:				
Liabilities forecast:				
EBITDA (forecast)				
<b>Business Assumptions</b>				
1. All liabilities (known and anticipated) were included in liabilities forecast				
2. Client forecast included both expected new clients and expected lost clients.				
3. Forecast accuracy is + or – 5% accurate				
4.				



# Recommendations

## Application Platform for CHT - Recommended



# Recommendations

The Sage Group has the following recommendations to ensure optimal shareholder value is realized by this acquisition:

1. Purchase AllRad Software and all rights to any of the concepts and uses.
2. Enhance the AllRad Software
  - a. Modify all screens and portals to reflect CHT branding
  - b. Enhance referral functionality to manage the following functionality
    - i. Hospital Admissions and Discharge
    - ii. Long Term Care or Specialized Nursing Facilities, etc.
    - iii. Rehabilitation Facilities (physical therapy, etc.)
    - iv. Pharmacies and medication distributors
  - c. Enhance the clinical documentation and communication functionality to meet the needs of an ACO
  - d. Integrate the solution with the following CHT applications
    - i. PARCS
    - ii. Pegasus BI
    - iii. Provider and Patient Portals
3. Enhance Pegasus BI Reporting and Data Warehouse to maintain all Network related data
  - a. Patient (insurance/finance, demographics, symptoms, diagnosis, treatment, results, satisfaction, lifestyle and health/treatment monitoring info)
  - b. Provider
  - c. Payer
  - d. Clinical
  - e. Note: Must maintain all RCM related data also